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# **Project Engineering and Design Fund**

**Office of Engineering and Construction Management**



# Project Engineering and Design Fund Objectives

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- Improve the probability of an accurate Performance Baseline for the project.
- Establish the Performance Baseline after the Preliminary Design is completed.
- Improve the DOE's planning, programming and budgeting process for the acquisition of capital assets.



# PED Account Management

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- PED funds are managed in one consolidated account by the Program Offices.
- All Program Offices will request PED funds to initiate new design project starts in FY02.
- Projects must have achieved CD-0 before the budget submission for PED funds
- PED funds are for the Preliminary and Final Design (Title I and II) effort
- Subsequent PED requests are to initiate new design projects, continue or complete a PED funded design.

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# PED Account Management (cont.)

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- The PED Project Data Sheet (PDS) will identify the anticipated projects for PED funding
- PED funds for Preliminary and Final design will be released by the PSO upon CD-1 approval by the Acquisition Executive (AE).
- Any movement of funds within the PED account requires PSO approval and notification of OECM.
- New projects not previously identified may be initiated after CD-1. PSO must notify OMB and Congress (via the CFO) before initiating design activities.

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# Transition to PED

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- The Offices of Defense Programs and Environmental Management initiated the use of PED funds in FY01 for a limited number of projects.
- No procedural changes for projects currently funded for design and construction prior to FY02.



# Critical Decisions in DOE O 413.3

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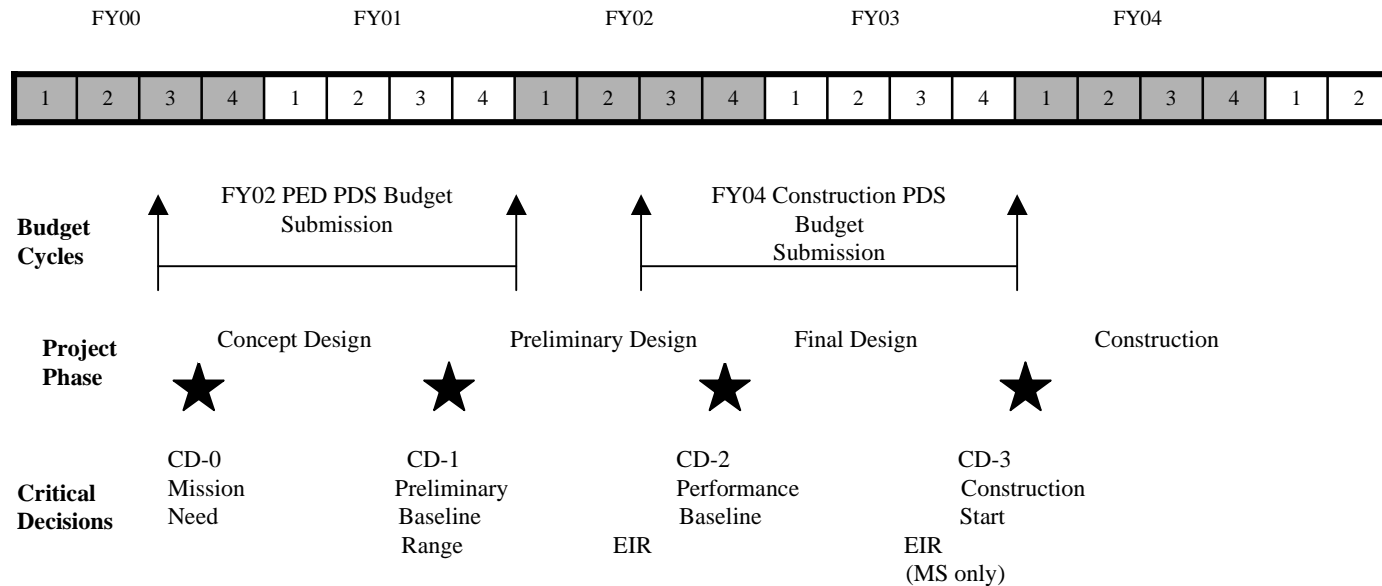
- CD-0 – Approve Mission Need
- CD-1 – Approve Preliminary Baseline Range
- CD-2 – Approve Performance Baseline
- CD-3 – Approve Start of Construction
- CD-4 – Approve Start of Operations or Project Closeout



# Traditional Process

## Design-Procure-Build

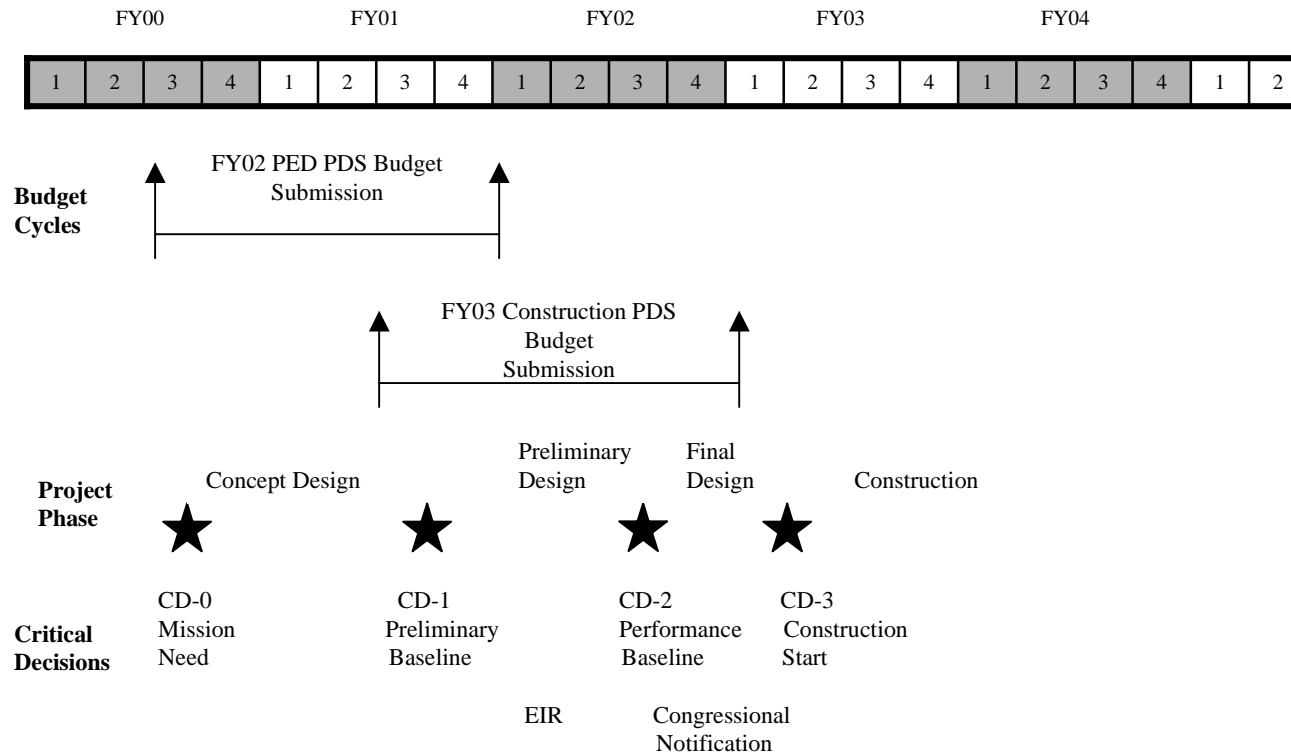
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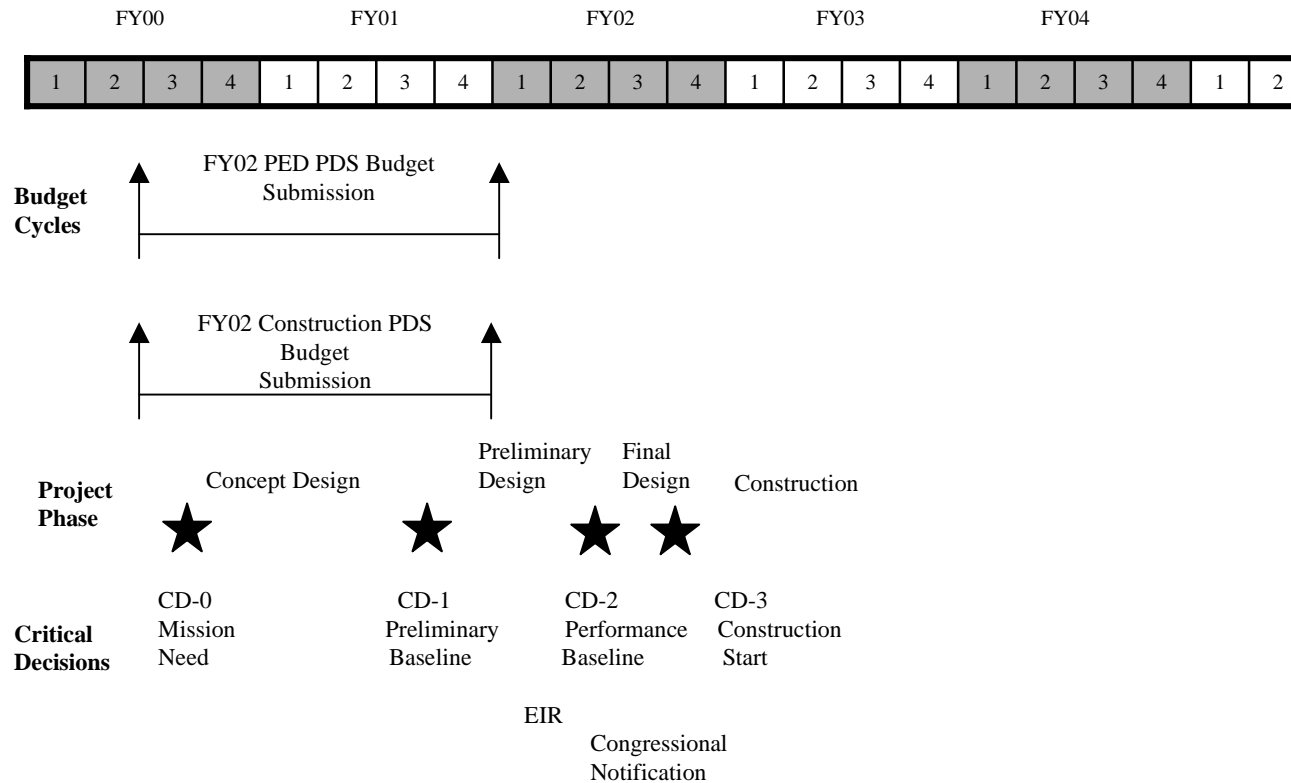
# Simplified Process



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# Simplified Process



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# Traditional Design-Procure-Build Projects

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- A project's budget requirement for PED is developed after CD-0 and during the Concept Design
- All projects must have CD-1 approval before starting Preliminary Design
- An EIR must be performed after the Preliminary Design is complete to validate the scope, cost, schedule and technical requirements (ie., the Performance Baseline)
- CD-2 must be approved prior to the final budget submission for a new start construction project.
- CD-3 must be approved by the AE prior to the release of construction funds.



# Simplified Process

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- Used for projects that can be engineered, designed and ready for construction award in the same fiscal year or the following fiscal year.
- If the “traditional” process were followed, there could be a delay of up to 12 months between design completion and receipt of construction funds.
- Used for conventional construction projects such as infrastructure rehabilitation. Should not involve undefined complex systems integration nor undefined NEPA requirements that might delay the project



# Simplified Process (cont.)

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- The plan to complete the design and have the project ready for construction award in the same fiscal year or the following fiscal year is approved at CD-0 Mission Need and is included in the Acquisition Strategy .
- The PED PDS indicates that a Construction PDS will be submitted with a Preliminary cost and schedule baseline. The Preliminary baseline is developed in the Concept Design Report
- The Construction PDS may be submitted in the same fiscal year as the PED PDS if the AE confirms the project will be ready for award.



# Simplified Process (cont.)

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- An EIR is performed during the design to confirm the the project can be executed within the Preliminary baseline.
- The PSO will notify OMB and Congress (via the CFO) regarding the approved Performance baseline
- The PSO will release the construction funds after CD-3 approval by the AE
- Traditional Design-Procure-Build or Design-Build acquisition methods may be used



# OECM Points of Contact

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- EM Point of Contact
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